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C O N F I D E N T I A L SECTION 01 OF 02 PARIS 004368

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STATE PASS TO USTR

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TAGS: ECON ETRD EAG PREL SENV FR

SUBJECT: AG BIOTECH FREEZE IN FRANCE: NEXT STEPS FOR U.S.

REF: A/ PARIS 4170 B/ PARIS 4139 C/ PARIS 3967

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Classified by Econ M/C Seth Winnick; reasons 1.4 (b), (d) and (e).

11. (C) Summary: President Sarkozy announced October 25 a number of significant steps on the environment following the conclusion of the "Grenelle" consultative process (Septel). Environment is a key focal point for his administration and, in contrast to key foreign policy issues, is an area in which Sarkozy differs sharply from the USG. Agricultural biotech, long a contentious bilateral issue, will be "frozen" in France and a new "High Authority" will determine not only if such products are safe, but also whether such products are for "the greater good." Our options are limited. There is broad and deep public fear of GMOs in France. While BT corn is growing in popularity with French farmers, public support by farm organizations has been both timid and late. The president of the national farm association (FNSEA) publicly supported a moratorium, as long as a new biotech law is in place by next spring. A strident public USG reaction would reinforce public support for the measure in France and in We recommend a measured public posture and a Europe. blunter private one underlining our commitment to work with France but reminding France of it commitments under EU and WTO rules. In the near term, the upcoming visits of Agriculture Minister Barnier November 1 and President Sarkozy November 6-7, provide an opportunity for us to reiterate our serious concerns. End Summary.

Sarkozy's Message on Ag Biotech

12. (SBU) Following is an unofficial translation of Sarkozy's speech as delivered. This should be taken literally and exactly as a statement of French policy. Begin text:

The precautionary principle is not a principle of inaction, but a principle of action and expertise to reduce uncertainty. It is not a principle of prohibition, but a principle of vigilance and transparency. It must therefore be interpreted as a principle of responsibility.

The truth is we have doubts about the current interest of pesticide-GMOs, the truth is we have doubts on the control of GMO dissemination, the truth is we have doubts about the health and environmental benefits of GMOs.

I don't want to put myself in contradiction with the European Union, but I need to make choices.

Under the precautionary principle, I want commercial

planting of pesticide-GMOs to be suspended, awaiting the conclusions of an expert evaluation to be conducted by a new authority that will be created before the end of the year, in consultation with the Grenelle of the Environment and the EU Commission.

I accept my responsibilities, respecting my commitments. France is committed to transpose the EU Directive by spring 12008. I don't want to be caught in the act of contradiction. I want a suspension because it is in the name of the precautionary principle.

At the same time, France plays its role in Europe. France knows its obligations, and we will transpose the Directive and will discuss it together.

The Grenelle establishes new principles regulating GMO cultivation and research. I think of the principle of transparency, I think of the right to produce with or without GMOs, I think of the obligation to prove the environmental and health benefits of GMOs. These principles, Jean-Louis Borloo will incorporate them into the transposition bill. And then, there will be a rule, transparency, and everyone will accept their responsibilities.

Suspending commercial production of pesticide-GMOs does not mean, and I want to be clear on this, that we must condemn all GMOs, and more specifically GMOs of the future. We must accelerate research. I don't accept test plot destructions. What we propose in reality is going back to democracy, debate, transparency, decision only for the general interest, and not only commercial interest, and responsibility. In return, everyone should go back to the rule of law, debate, but not abuse and violence. No-one will make me accept that it is normal to violate private property.

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End Text

The Options

- 13. (C) Our options for responding to the French Announcement are limited. We have lobbied the GOF extensively on this issue over a long period, and made our views on the freeze clear. A strident USG public position would likely increase support for these measures in France. Embassy recommends a measured approach in public and a stiffer one in private both stressing USG willingness to share scientific data, regulatory procedures and experience to date and reiterating the importance of respecting EU and WTO procedures.
- 14. (C) The upcoming visit of Agricultural Minister Barnier to Washington November 1 provides an immediate opportunity to deliver a measured but tough message. We understand Barnier hopes to use his visit in part to polish his international credentials as he reportedly hopes to move on from the Agriculture Ministry to foreign policy job, possibly in Brussels. We should make sure he hears the same message in all his meetings in Washington; that any new non-scientific barriers to agricultural biotech are detrimental

not only to the bi-lateral relationship but will likely result in EU and WTO action against France. President Sarkozy's visit November 6-7 also provides an opportunity for us to signal our concerns at the highest level.

Recommendation

15. (C) A measured public, but firm private, response is recommended. While USG efforts thus far have not had great success, the GOF approach could have wider repercussions in Europe and further afield for the

commercialization of agriculture biotechnology. Post stands ready to work with the new High Authority to encourage it to meet with USDA, FDA, EPA, and also the U.S farming sector and industry to learn how we manage agricultural and environmental issues. Post also believes it would be useful, in conjunction with USEU, to urge the European Commission to intervene in a meaningful way with France.

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